

**KEPPEL OPP'N EXH. 122**

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**From:** Kevin Corrigan </O=FIRST ORGANIZATION/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=KEVIN CORRIGAN>  
**To:** Carla Vogel; Patrick Songsanand  
**CC:** Kevin Lowder; Simon Hayden  
**Sent:** 6/23/2011 9:49:28 AM  
**Subject:** RE: Sete compliance

Sounds good, thanks.

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**From:** Carla Vogel  
**Sent:** Thursday, June 23, 2011 9:39 AM  
**To:** Kevin Corrigan; Patrick Songsanand  
**Subject:** RE: Sete compliance

Kevin:

I reviewed the articles with Patrick last night, and I agree that based on the information in these articles (which are several years old), the fact that no subsequent findings were identified in our searches and the role these subjects have in our investment, the information is of "low risk."

While we have considered the matter, I don't believe that this rises to the level of escalation to Blair nor disclosure on the Investment Rec. To the extent Kurt asks to be informed of the details on due diligence matters, I differ to the deal teams.

Lastly, I ask that you save this email stream together with the Complinet search results in the due diligence file for this project.

Based on this exercise, I will finalize the AML/OFAC Internal Operating Procedures I had drafted with Niranjana earlier this year and circulate to the deals teams to provide some additional guidance on this process.

Thanks- Carla

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**From:** Kevin Corrigan  
**Sent:** Thursday, June 23, 2011 9:05 AM  
**To:** Patrick Songsanand  
**Cc:** Carla Vogel  
**Subject:** RE: Sete compliance

OK, I think in that case we were thorough here, but the more I think of it, the less significant is the role of a 40% owner of the first systems' EPC contractor. It's not that I'm trying to skirt Camargo Correa's press – it's a huge company with I think 30,000 employees, so to see an article about one of its employees being charged with corruption should not be surprising. With regards to our fellow board member, as I mentioned, I did not have an opportunity to meet him yet, so I think your write-up below is fine. Unless Carla feels otherwise, let's finalize the letter along the lines you propose.

Thanks, Kevin

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**From:** Patrick Songsanand  
**Sent:** Thursday, June 23, 2011 9:01 AM  
**To:** Kevin Corrigan  
**Cc:** Carla Vogel  
**Subject:** RE: Sete compliance

This was from Randy previously:

check the issuer of the securities and all parties that have a significant relationship with the issuer (e.g. Client



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client contacts; Beneficiaries; Collateral owners; Guarantors and cosigners; Controlling or significant shareholders; and Sending and receiving parties)

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**From:** Kevin Corrigan  
**Sent:** Thursday, June 23, 2011 8:10 AM  
**To:** Patrick Songsanand  
**Cc:** Carla Vogel  
**Subject:** RE: Sete compliance

Thanks, Patrick,

I think it would be useful to have some guidelines on how broad the checks we run should be: I gave you about thirty names covering just about every entity in the transaction – is this what we're after?

The two names you came up with press articles on are: 1) One of the owners of the EPC contractor of the first system of drillships. That may or may not be the EPC contractor for the next system which we're going to finance. 2) The second name was one of twenty-two board members (director and alternate) with whom we will be sharing a board seat.

The company we're investing in and its management did not come up. How wide should we cast this net?

Thanks, Kevin

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**From:** Patrick Songsanand  
**Sent:** Wednesday, June 22, 2011 10:30 PM  
**To:** Kevin Corrigan  
**Subject:** Sete compliance

Kevin,

I spoke to Carla regarding the Complinet searches, and she advised that we send her a memo/email for the record. Below is my stab at it. Let me know if you have any comments.

Patrick

Carla,

This memo is a follow up to our conversation regarding results of the Complinet search for the proposed Sete investment. As we discussed, there were two noteworthy results that were highlighted through searches using the Complinet system.

1. Camargo Correa is a 45% joint venture partner in the EPC contractor, Estaleiro Atlantico Sul ("EAS"), that will construct the drillships financed by the Sete investment. Camargo Correa is one of the largest private conglomerates in Brazil. Complinet's "Media Results" noted that in 2009, employees of Camargo Correa were arrested in connection with a year-long corruption probe. Ten employees, including four executives, were alleged to have used a network of fake companies and illegal currency traders to transfer millions of dollars abroad as part of a kickback scheme. No information regarding resolution of the charges was found on either Complinet or through independent searches. We take comfort from the presence of two highly reputable partners in the EAS JV: Queiroz Galvao (45%), one of the largest shipbuilders in Brazil, with whom EIG is currently invested in the Atlantic Star investment; and Samsung Heavy Industries (10%).
2. Demosthenes Marques is [an investment director] at FUNCEF, one of the largest Brazilian pension funds. FUNCEF will be one of several investors, including large Brazilian banks and [other institutions], alongside EIG in the Sete transaction. Complinet noted that in 2006, a congressional inquiry asked prosecutors to bring charges against directors from 10 pension funds, including Mr. Marques. The directors were accused of funneling funds to politicians through private banks. Complinet did not provide further information

Based on the information outlined above, we do not believe that the information highlighted by Complinet should in  
any way prevent EIG from proceeding with the Sete investment.



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